

Summary of Testimony by Christine Farrell, March 27, 2007

Since May 1, 2000, the Michigan Medicaid Program has partnered with Delta Dental Plan of Michigan to administer the Medicaid dental benefit for beneficiaries under the age of 21 in select counties. This plan is called the *Healthy Kids Dental* program and is in 59 of 83 Michigan counties and serves over 200,000 beneficiaries. By partnering with Delta Dental, we gained access to their statewide dental network. Approximately 95 percent of the practicing dentists participate with Delta Dental. We provide an immediate benefit to our Medicaid beneficiaries by offering them additional access and reducing the stigma of public assistance. The advantage for dental providers is that Delta Dental administers the benefit according to their policies and procedures, and dentists submit the claims and are reimbursed from Delta.

A recent study of the first five years of the program show impressive results. Dental visits are 50 percent higher for children enrolled in the Healthy Kids Dental program. Travel distance has been cut in half from the traditional Medicaid experience. Dentist participation is also increasing. A survey of Medicaid enrollees in the Healthy Kids Dental program reveal that 99 percent are satisfied with the program and 92 percent indicated that their child's health has improved.

Michigan has crafted a new model that has demonstrated success. Although we are in challenging economic times in Michigan, we continue to look at innovative ways to improve access to oral health care and would welcome greater federal assistance.

Testimony of Christine Farrell, RDH, MPA
Medicaid Policy Specialist
Medical Services Administration
Michigan Department of Community Health

Before the
U. S. House Committee on Energy and Commerce
Subcommittee on Health

*Insuring Bright Futures: Improving Access to Dental Care and Providing a Healthy Start
for Children*

March 27, 2007

Good morning Chairman Dingell, Chairman Pallone, Ranking Member Deal and the members of the Subcommittee on Health.

My name is Christine Farrell and for the past 19 years I have been employed by the Michigan Department of Community Health, Medical Services Administration (the agency that administers the Michigan Medicaid Program). For the past 15 years, I have been the dental policy specialist with the responsibility of managing the Medicaid dental benefit. Since 2000, I have served as the contract manager for the *Healthy Kids Dental* program; this is our partnership with the Delta Dental Plan of Michigan.

Apart from my state role, for the past three years, I have been the national chairperson of the Medicaid/SCHIP Dental Association (MSDA). This association was formed three years ago at the National Oral Health Conference by Medicaid and SCHIP dental program managers. As an association, we hope to have a more effective voice for the delivery of oral health care to the Medicaid and SCHIP populations. Our mission is to provide a support system and promote collegiality among state Medicaid and SCHIP programs since we all share the goal of trying to provide access to oral health services for our beneficiaries. Since forming this association, the MSDA has worked to promote oral health awareness and to increase access to oral health services for Medicaid and SCHIP beneficiaries within our respective state programs, with the Centers for Medicare and Medicaid Services (CMS) Chief Dental Officer, with national policy groups such as the National Association of State Medicaid Directors (NASMD), the National Academy for State Health Policy (NASHP), and other oral health advocacy groups. Our Association seeks the opportunity to provide state and national leadership in the development of Medicaid/SCHIP oral health policy, encourage innovation and collaboration among state

Medicaid programs, and to promote the integration of oral health and primary care in Medicaid/SCHIP programs.

My primary purpose today is to highlight the Michigan Medicaid Program and how we are addressing the issue of access to oral health care for Medicaid beneficiaries under the age of 21 through our ***Healthy Kids Dental*** program. The ***Healthy Kids Dental*** program is our partnership with the Delta Dental Plan of Michigan. This partnership began on May 1, 2000 and continues today.

In 1999, the Michigan legislature appropriated an additional \$10.9 million dollars to address the issue of “access to oral health services for Medicaid beneficiaries, especially those in rural areas”. As the result of Dental Task Force recommendations, Michigan chose to use half of the monies to provide infrastructure grants to safety-net providers, such as community health centers, local health departments, hospitals and universities. The additional monies went to develop a demonstration project similar to the MICHild dental program (Michigan’s SCHIP program) which provides a dental insurance product to enrollees. We (Medicaid) sent out a proposed bulletin announcing the intent to contract with a dental insurance carrier to administer the Medicaid dental benefit through a statewide network of dental providers.

The ***Healthy Kids Dental*** program was implemented on May 1, 2000, in 22 counties providing access to oral health care services for 50,000 Medicaid beneficiaries under the age of 21. The program was expanded to 37 counties in October, 2006, and increased the total beneficiaries enrolled to over 100,000 enrollees. On May 1, 2006, the program expanded to an additional 22 counties providing access to another 50,000 beneficiaries. Today, it is in 59 of the 83 Michigan counties providing access to oral

health care services for over 200,000 beneficiaries. The majority of these counties are rural, are Dental Care Health Professional Shortage Areas, and have little or no dentist participation in the traditional Medicaid Program.

The ***Healthy Kids Dental*** program is designed to mirror an employer-sponsored plan. By partnering with Delta Dental Plan of Michigan, we have gained access to their statewide network. Approximately 95% of the practicing dentists in Michigan participate with Delta Dental whereas, less than 20% percent of the practicing dentists are Medicaid providers. By using this network, we provide an immediate benefit to our Medicaid beneficiaries by offering them greater access to dentists and the ability to develop a dental home. Another advantage for the beneficiaries is that they are mainstreamed into the entire population of Delta subscribers by receiving a Delta Dental card; they do not have the stigma of public assistance. As long as the dentist participates with Delta Dental, they cannot refuse to treat Medicaid beneficiaries unless the office is closed to all new patients.

While Delta administers the Medicaid dental benefit, the advantage to their network dental providers is that Delta administers the benefit according to their policies and procedures, providers submit claims directly to Delta and receive reimbursement from Delta. Initially, the dentists were reimbursed at the Delta Premier rate (may be commonly referred to as their Usual & Customary Charge). In January 2006, due to budget considerations, Delta Dental and the Medicaid Program, initiated a reimbursement change from the Premier rate to a fixed fee schedule. While this fee schedule is less than the Premier rate, the rate is still higher than the standard Medicaid fee schedule. We (both Medicaid and Delta Dental) were initially concerned that this decrease in

reimbursement would impact the network of participating providers and decrease access. This fear was unfounded. We have monitored the provider network and have retained over 86% of the participating dental providers. We attribute this success to the fact that Delta Dental has a strong relationship with their dental network and is a highly-respected company by the Michigan Dental Association and its' members.

A University of Michigan researcher, Dr. Stephen A. Eklund, was contracted to assess the results of the ***Healthy Kids Dental*** program. A study using data from the first five years of operation has just been completed and the results are impressive. Results show that dental visits are 50 percent higher for children enrolled in the ***Healthy Kids Dental*** program compared to children enrolled in the traditional Medicaid dental program. Additional results show that the travel distance for beneficiaries has been cut in half from traditional Medicaid experience. The median distance traveled is 7.6 miles for ***Healthy Kids Dental*** beneficiaries, whereas beneficiaries in the traditional Medicaid Program normally travel twice that distance. In addition, many ***Healthy Kids Dental*** beneficiaries have established a dental home and are developing routine dental recall patterns. The results of the study are impressive and we (both Medicaid and Delta Dental) are excited about them. It demonstrates that the partnership with Delta Dental is working.

In addition, Delta Dental Plan recently conducted a survey of ***Healthy Kids Dental*** participants. Of the respondents, nearly 99 percent are satisfied with the program and 92 percent indicated that their child's health has improved due to the ***Healthy Kids Dental*** program.

In 2004, the American Dental Association designated the ***Healthy Kids Dental*** program as one of five national models for improving access to oral health services for Medicaid beneficiaries.

The goal of the ***Healthy Kids Dental*** program is to increase access to oral health services for Medicaid beneficiaries and to eliminate barriers. We believe that the program has accomplished this goal through our partnership with Delta Dental Plan of Michigan. We have addressed the three most common complaints typically reported about the Medicaid Program: low reimbursement rates, administrative burden and beneficiary no-show rates. We have also improved the health of the beneficiaries by crafting a new model that is working in Michigan.

While this program has demonstrated success, Michigan would welcome additional federal assistance to assist us in further expanding the ***Healthy Kids Dental*** program statewide. We are in challenging economic times in Michigan and we continue to look at innovative ways to improve access to oral health care. Additional federal support would assist Michigan, and other states, in crafting solutions to improve and expand access to this critical benefit for children.